

CHAPTER 5
CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

[Prior to 2/20/02, see rule 193F—3.4(543D) and 193F—Chapter 4]

NOTE: The AQB adopted changes to the qualification criteria effective January 1, 2008. The changes include increased education requirements that can be found in 193F—Chapter 13 for certified residential appraisers and in 193F—Chapter 14 for certified general appraisers.

193F—5.1(543D) Examination. Examination application requirements to obtain a certificate as a certified residential real property appraiser shall be in compliance with the criteria as set forth by the Appraiser Qualifications Board of the Appraisal Foundation as follows:

5.1(1) In order to qualify to sit for the certified residential real property appraiser examination, the applicant must satisfy the following educational requirements:

a. Completion of 120 hours of courses in subjects related to real estate appraisal as listed below with particular emphasis on the appraisal of one to four unit residential properties.

- (1) Influences on real estate value;
- (2) Legal considerations in appraisal;
- (3) Types of value;
- (4) Economic principles;
- (5) Real estate markets and analysis;
- (6) Valuation process;
- (7) Property description;
- (8) Highest and best use analysis;
- (9) Appraisal math and statistics;
- (10) Sales comparison approach;
- (11) Site value;
- (12) Cost approach;
- (13) Income approach;
 1. Gross rent multiplier analysis;
 2. Estimation of income and expenses;
 3. Operating expense ratios;
 4. Direct capitalization;
- (14) Valuation of partial interests;
- (15) Appraisal standards and ethics;
- (16) Narrative report writing.

b. Credit toward the education requirement may be granted only when the length of the educational offering is at least 15 hours and the individual successfully completes an examination pertinent to that offering.

c. Effective January 1, 2004, 15 of the 120 hours must include the successful completion of the National USPAP Course or its equivalent. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. USPAP qualifying education shall be awarded only when the class is instructed by an AQB-certified instructor(s) and when the class is instructed by at least one residential or general state-certified appraiser.

d. Credit for the education requirement may be obtained from the following:

- (1) Colleges or universities;
- (2) Community colleges or junior colleges;
- (3) Real estate appraisal or real estate related organizations;
- (4) State or federal agencies or commissions;

- (5) Proprietary schools;
- (6) Other providers approved by the board.

e. A maximum of one-half of the qualifying education may be over five years old. If the course-work is over five years old from the date of application, the applicant may be requested to provide a brief description of the course as well as documentation of completion.

f. A classroom hour is defined as 50 minutes out of each 60-minute segment. For coursework completed at a college, university, community college or junior college, each semester hour shall equal 15 classroom hours of credit, and each quarter hour shall equal 10 classroom hours of credit.

g. The applicant shall provide copies of the documentation as to completion of all courses claimed to qualify for the examination.

5.1(2) The board may verify educational credits claimed. Undocumented credits will be sufficient cause to invalidate the examination results pursuant to 193F—paragraph 3.3(2) “c.”

5.1(3) Responsibility for documenting the educational credits claimed rests with the applicant.

193F—5.2(543D) Experience required for initial certification. The experience required to be certified pursuant to Iowa Code section 543D.9 must meet the requirements of this rule. The objective of the demonstration of experience is to provide assurance that, before the applicant is issued a certificate, the applicant has obtained sufficient diversified experience to perform an appraisal.

5.2(1) An appraisal log shall be provided. The appraisal log shall, at a minimum, include the following for each appraisal:

- a.* Type of property;
- b.* Date of report;
- c.* Address of appraised property;
- d.* Description of work performed by the associate appraiser and scope of review and supervision of the supervising appraiser;
- e.* Number of work hours;
- f.* Signature of supervising appraiser.

5.2(2) The applicant for the certified residential real property appraiser certificate shall accumulate a total of 2500 hours of appraisal experience in no fewer than 24 months. Experience claimed must have been performed in compliance with USPAP. Acceptable appraisal experience includes, but is not limited to, the following:

- a.* Fee and staff appraisal;
- b.* Ad valorem tax appraisal;
- c.* Review appraisal;
- d.* Appraisal analysis;
- e.* Real estate consulting;
- f.* Highest and best use analysis;
- g.* Feasibility analysis/study.

5.2(3) The listings set out in 5.2(2) and 193F—subrule 6.2(2) are intended neither to exclude other sorts of appraisal experience nor to prescribe a specified minimum array of experience, but an applicant who cannot demonstrate a background of experience of the diversity manifested by this rule shall bear the burden of showing that the applicant’s experience is of sufficient quality and diversity to fulfill the objective of the demonstration of experience.

5.2(4) An applicant may be required to appear before the board or its representative to supplement or verify evidence of experience, in the form of written reports or file memoranda.

5.2(5) The board may require inspection, by the board itself or by its representatives, of documentation relating to an applicant’s claimed experience. Such inspection may be made at the board’s offices or such other place as the board may designate.

5.2(6) The board may deny an application based on disciplinary action taken against an associate appraiser registration.

193F—5.3(543D) Upgrade from a certified residential to a certified general appraiser. To upgrade from a certified residential real property appraiser to a certified general real property appraiser, see the education, experience, examination and work product review requirements in 193F—Chapter 6 and in rule 193F—3.5(543D).

193F—5.4(543D) Supervised experience required for initial certification. Commencing with experience attained on or after July 1, 2007, all experience required for initial certification pursuant to Iowa Code section 543D.9 shall be performed as a registered associate real estate appraiser under the direct supervision of a certified real estate appraiser.

5.4(1) Acceptable experience. The board will accept as qualifying experience the documented experience attained while the applicant for initial certification was in an educational program recognized by the Appraisal Qualifications Board and Appraisal Subcommittee as providing qualifying experience for initial certification, whether or not the applicant was registered as an associate real estate appraiser at the time the educational program was completed. Such programs, if approved by federal authorities, will incorporate direct supervision by a certified real estate appraiser and such additional program features as to satisfy the purpose of requiring that qualifying experience be attained by the applicant as a registered associate real estate appraiser.

5.4(2) Exceptions.

a. Applicants for initial certification in Iowa who request that the board approve unsupervised experience or experience performed in the absence of registration as an associate real estate appraiser may file an application for approval on a form provided by the board. The burden shall be on the applicant to establish by clear and convincing evidence all of the following:

(1) The experience is qualifying experience under the substantive and documentation standards of the Appraisal Qualifications Board and Appraisal Subcommittee.

(2) Denial of the application would impose an undue hardship on the applicant.

(3) The nature of the experience attained is qualitatively and substantially equivalent to the experience a registered associate real estate appraiser would receive under the direct supervision of a certified real estate appraiser pursuant to the standards established in 193F—Chapter 15.

(4) Approval of the application would foster the board's goal of fair and consistent treatment of applicants.

(5) A basis exists beyond the individual control of the applicant to explain why the experience at issue could not have been attained by the applicant as a registered associate real estate appraiser under the direct supervision of a certified real estate appraiser.

b. Among the circumstances the board may favorably consider in ruling on an application for approval of unsupervised experience or experience attained by the applicant in the absence of registration as an associate real estate appraiser are:

(1) The experience was attained in a jurisdiction that, at the time, did not register associate real estate appraisers or otherwise offer an associate, trainee or equivalent category of licensure.

(2) The applicant attained the experience while employed in a county assessor's office engaged in mass appraisals, and the experience would otherwise qualify under applicable federal standards.

(3) The experience was attained between July 1, 2007, and January 1, 2008, and the appraiser could not reasonably have become registered and associated with a supervising certified appraiser by July 1, 2007, the effective date of the requirement that qualifying experience be attained by the applicant as a registered associate real estate appraiser working under the direct supervision of a certified real estate appraiser.

These rules are intended to implement Iowa Code sections 543D.7, 543D.8, 543D.9 and 543D.16.

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